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ILLINOIS COMMERCE COMMISSION

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ILLINOIS ^{WAM}
COMMERCE COMMISSION

ALJ RULING IN DOCKET 07-0224

2007 APR 24 P 1:32

Notice is hereby given that the Administrative Law Judge (the "ALJ") has completed a preliminary review of the application filed by Realgy, LLC ("Realgy") in docket No. 07-0069 for service authority to operate as an alternative gas supplier, and hereby rules that a verified response to this ruling shall be filed with this Commission on or before April 20, 2007, and served on all parties or persons on the service list, including the ALJ. If service and filing is by mail, then, the date of mailing is the date of service. If service and filing is by electronic means, then, the date of electronic filing and mailing is the date of service.

General Qualifications

83 Ill. Adm. Code 551.30(a)-Please provide proof that Realgy published notice of its application in the Official State Newspaper, as is required by this regulation.

Realgy, LLC has caused the following notice to be published in the Edwardsville Intelligencer newspaper on April 6, 2007. Attachment A is submitted as evidence of the publication.

Realgy, LLC d/b/a Realgy Energy Services, hereby gives notice to the general public that it has filed with the Illinois Commerce Commission on March 27th, 2007, an Application for Certificate of Service Authority under Section 19-110 of the Public Utilities Act. Further information with respect to the application may be obtained directly from Realgy Energy Services or by contacting the Chief Clerk of the Illinois Commerce Commission located in Springfield, IL.

MICHAEL VRTIS, MANAGING PARTNER
REALGY, LLC D/B/A REALGY ENERGY SERVICES
912 NORTHWEST HIGHWAY, STE. 111
FOX RIVER GROVE, IL 60021-1925
(860) 233-4402

Realgy filed its Application and it was received and stamped by the Chief Clerk on March 27, 2007.

Realgy caused the above notice to be published 10 days from the receipt date of the Application.

83 Ill. Adm. Code 551.50(a) requires applicants to file their bonds or licenses as part of their applications for certification. It does not require copies of bonds, it requires originals. It appears that Realgy filed the original bond with the office of the Chief Clerk, however, in par. 23 of its application, Realgy averred that it filed a *copy* of the its license or permit bond. The response to this ruling should amend this paragraph to make it clear that Realgy filed the original, and not a copy.

Realgy submits the following amendment to its original petition.

Financial Qualifications

23. Applicant's required license or permit bond is provided in Attachment 3.
[551.50(a)]

Realgy Energy Service states that it has executed and will maintain a bond issued by a qualified surety company in favor of the People of the State of Illinois in the amount of \$150,000.00. The bond is conditioned upon the full and faithful performance of all duties and obligations of Realgy Energy Services as an AGS. The cost of the bond has been paid by Realgy Energy Services. The original ~~A copy of the~~ bond is attached to this application.

Financial Qualifications

83 Ill. Adm. Code 551.80(g)(2) requires applicants to file certified financial statements for their most recently-completed fiscal year; an accountant's report for those financial statements and a schedule demonstrating the calculation of each financial ratio, with a reference to the applicants' certified financial statements establishing each input of this calculation.

Realgy, however, submitted its annual financial statements for 2005. It must either provide financial statements for 2006, or, set forth facts stating why its 2005 financial statements were submitted.

In its petition, Realgy provided its most recently-completed fiscal year certified financial statements and related schedules.

Realgy could not submit 2006 audited financials with our petition. This was due to the fact that there were personnel changes at our accountant firm and they did not have the resources to prepare our audit report or file our taxes on time. Realgy was not notified of this fact, by its then accountant firm of Dugan & Lopatka until mid-March 2007.

Due to the late notice from Dugan & Lopatka, Realgy had not prepared for conducting a review to replace our accountant group. Due to the late notice, Realgy was not able to contract with an accounting group to prepare Realgy's financial statements and taxes before April 15th 2007.

Realgy has since completed a review of accountant firms and have placed our accountant with Dirk Schilling of Schilling & Associates, CPA, PC. We were required to file the automatic extension for Realgy's 2006 tax year.

In the future, Realgy will provide;

1. Certified financial statements provided for most recently completed fiscal year.
2. Accountant's report for certified financial statements

3 Financial certification for the Application

within 120 days of the close of the fiscal year. A letter from our current accountant Dirk Schilling of Schilling & Associates, CPA is submitted as Attachment E and documents Realgy's position.

Realgy will submit its 2006 audited financials and accompanied documents within 60 days of issuance of the ruling on this petition.

If Realgy submits 2006 annual financial statements, it must also submit its accountant's report for 2006.

Also, Realgy must submit a schedule showing the calculation of each financial ratio, with a reference to the certified financial statements provided, establishing each input of that calculation.

Realgy submits Attachment B, to augment its petition. Attachment B; identifies the calculation of each financial ratio and reference the value used in the calculation directly to the certified financial statements provided in the petition. .

Technical Qualifications

Realgy stated in par. 25 of its Application facts indicating that Section 551.90(a) does not apply to it, but, it set forth no facts establishing that it meets the criteria in Section 551.90(b) through (d). Realgy must set forth facts establishing that its personnel has the technical qualifications in Section 551.90(b) through (d).

In compliance with Section 551.90(b) Realgy possesses sufficient technical capabilities to serve retail customers. Realgy has served retail energy customers in Northern Indiana Public Service since April 2003 and in NICOR and Peoples service territories since April 2004.

In compliance with Section 551.90(c) Realgy submits Attachment C containing the background information on Michael Vrtis who has over 18 years natural gas sales experience including GISB/NAESB and Mr. Doug Gugino with over 22 years natural gas sales experience all with GISB/NAESB.

Managerial Qualifications It is unclear from the information provided whether Mr. Gugino has four years of management experience, as is required by this regulation. Realgy must state what management experience he has, or set forth facts demonstrating it otherwise meets the criteria in this section (e.g., that it meets the criteria in 551.100(c), or, that a third manager has four years of management experience).

Realgy, in accordance with section 551.100 (a), provides the following additional information;

Mr. Gugino has over 5 years of management experience with Realgy performing as a senior manager with responsibilities for enterprise finances, personnel matters related to his direct reports, administration oversight and profit/loss reporting.

In accordance with Section 551.100(b) Realgy submits Attachment D to augment its petition.

The Applicant may contact Phil Hardas, of the Commission's Financial Division, at (217) 557-5213, should it have any question regarding this ruling.

Dated this 3rd day of April
Claudia E. Sainsot
Administrative Law Judge
Illinois Commerce Commission

Verification

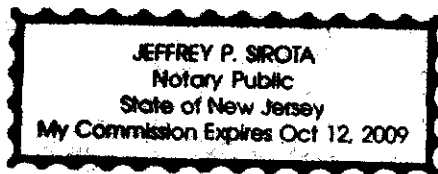
I, Michael Vitis, first being duly sworn upon oath depose and say that I am Managing Partner of Realgy, LLC (dba Realgy Energy Services), an Alternative Gas Supplier formed under the laws of the state of Connecticut; that I have read the above document (Notice of Administrative Law Judge's Ruling dated April 18, 2007, in the matter of Application for Certification of Service Authority under Section 19-110 of the Public Utilities Act. Docket No, 07-0224) and foregoing petition by me subscribed and know the contents thereof; the said contents are true in substance and in fact, except as to those matters stated upon information and belief, as to those, I believe same to be true.

Michael Vitis
Name

Managing Partner
Title

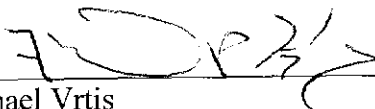
Subscribed and sworn to before me this 22 day of April, 2007.

Jeffrey P. Sirota
Notary Public



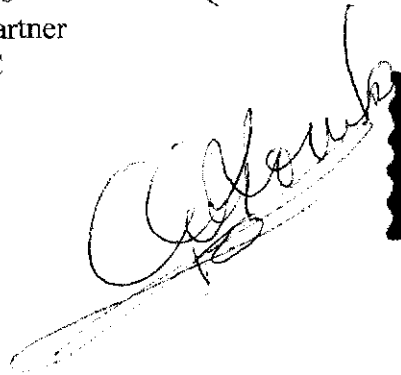
I have read this submission and verify it true to the best of my knowledge.

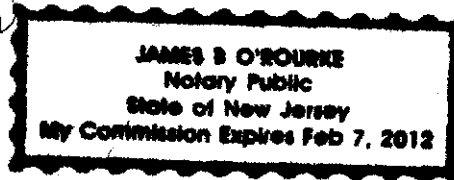
Sincerely,



Michael Vrtis
Managing Partner
Realgy, LLC

NOTARY





Verification

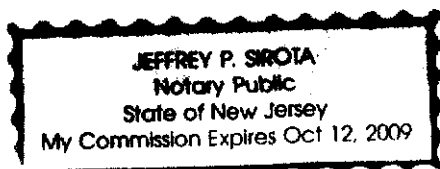
I, Michael VRTIS, first being duly sworn upon oath depose and say that I am Managing Partner of Realgy, LLC (dba Realgy Energy Services) an Alternative Gas Supplier formed under the laws of the state of Connecticut; that I have read the above and foregoing petition (Notice of Administrative Law Judge's Ruling dated April 18, 2007, in the matter of Application for Certification of Service Authority under Section 19-110 of the Public Utilities Act. Docket No, 07-0224) by me subscribed and know the contents thereof; the said contents are true in substance and in fact, except as to those matters stated upon information and belief, as to those, I believe same to be true.

Michael VRTIS
Name

Managing Partner
Title

Subscribed and sworn to before me this 23 day of April, 2007.

Jeffrey P. Sirota
Notary Public

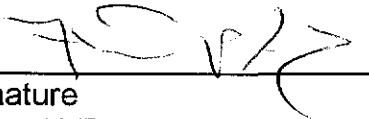


PROOF OF SERVICE:

I certify that this 18th day of April, 2007, I have served this document (Notice of Administrative Law Judge's Ruling dated April 3, 2007, in the matter of Application for Certification of Service Authority under Section 19-110 of the Public Utilities Act. Docket No. 07-0224) via overnight EXPRESS US MAIL, to each of the parties of record and the Chief Clerk of the Illinois Commerce Commission.

Phil Hardas, Administrative Law Judge's Assistant, Illinois Commerce
Commission, 527 E. Capitol Ave., Springfield, IL 62701,
phardas@icc.illinois.gov

Doug Gugino, Realgy Energy Service, Director Natural Gas
1100 New Britain Avenue
West Hartford, Connecticut 06110



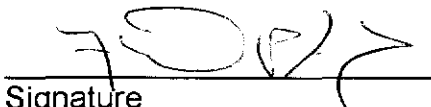
Signature
Michael VP Vrtis
Managing Partner
Realgy, LLC

PROOF OF SERVICE:

I certify that this 19th day of April, 2007, I have served this document (Notice of Administrative Law Judge's Ruling dated April 18, 2007, in the matter of Application for Certification of Service Authority under Section 19-110 of the Public Utilities Act. Docket No, 07-0224) via overnight EXPRESS US MAIL, to each of the parties of record and the Chief Clerk of the Illinois Commerce Commission.

Phil Hardas, Administrative Law Judge's Assistant, Illinois Commerce
Commission, 527 E. Capitol Ave., Springfield, IL 62701,
phardas@icc.illinois.gov

Doug Gugino, Realgy Energy Service, Director Natural Gas
1100 New Britain Avenue
West Hartford, Connecticut 06110



Signature
Michael VP Vrtis
Managing Partner
Realgy, LLC